This statement sets out Leicester City Council’s latest flexible eligibility criteria for the ECO: Flexible eligibility program. It aims to identify households living in fuel poverty in support of the Council’s fuel poverty and affordable warmth ambitions.

1. Introduction

Leicester City Council is committed to tackling fuel poverty and providing affordable warmth for low income households in private sector housing. Over the past 20 years we have been successful in attracting both national and local sources of funding for improvement of the city’s housing stock; leading to reduced energy consumption, lowering of carbon emissions and reduced household expenditure on energy bills.

The fuel poverty status of a household depends on the interaction between three key aspects: household incomes, household energy efficiency and fuel prices. Unfortunately, over 50% of residential properties within the City were built before 1919 and are of solid wall construction, making them more expensive to upgrade along with being more expensive to run. In the City of Leicester over 15% of households live in fuel poverty. (Information based on the Department for Business, Energy & Industrial Strategy’s Annual Fuel Poverty Statistics Report 2018)

The Energy Company Obligation (ECO) is a government energy efficiency initiative designed to help reduce carbon emissions while tackling fuel poverty. ECO started in 2013 and it will run until the end of March 2022 across the UK. In order to qualify for assistance under the ECO program residents must own their home or rent from a private landlord and also be in receipt of benefits or a combination of benefits or live with someone who does.

2. Flexible Eligibility

ECO includes a Flexible Eligibility element. This element sits alongside the main ECO scheme and is designed to support those who don’t meet the usual eligibility criteria for ECO. Under the scheme it is proposed that up to 25% of ECO funding will be available to support the Local Authority Flexible Eligibility criteria where residents are defined as eligible through their Statement of Intent. Qualifying households can be either owner occupiers and those in the private rental sector, who aren’t in receipt of eligible benefits and/or show that they are vulnerable to the effects of a cold home.

Leicester City Council has welcomed the introduction of Flexible Eligibility and
intends to utilise it for the purposes of reducing fuel poverty within the City.

It should be noted that meeting any of the eligibility criteria detailed in the statement of intent does not guarantee funding. The final decision on whether a household receives an ECO measure is made by the energy suppliers or their agents/contractors and the final decision will depend on:
   i) the survey carried out by a supplier's agents/contractors and the installation costs
   ii) the energy savings that can be achieved for a property, and
   iii) whether suppliers have achieved their targets or require further measures to meet their ECO targets.

2.1 Tenures

According to national guidance (ECO Order 2018 Article.17) the tenure of a property effects eligibility for certain measures.

**Owner occupied properties:** Qualifies for any ECO measure provided a household meets the Fuel Poor (FP) or Low Income and Vulnerable to the Cold (LIVC) eligibility criteria.

**Private Rented properties:**
- Properties with an EPC rating of A, B, C, D or E qualify if they meet the FP or LIVC criteria, for any measure except for the replacement or repair of a boiler, electric storage heater or central heating system that has broken down.
- Properties with an EPC rating of F or G qualify if they meet the FP or LIVC criteria, but only for solid wall insulation and/or a renewable heating measure.

3. How Leicester City Council intends to identify eligible households

Subject to the availability of resources and the legal use of data Leicester City Council will target those most in need according to BEIS guidance on targeting.

Leicester City Council will identify households that may benefit from flexible eligibility in two ways. This includes:
- People designated as being **Fuel Poor** (FP) will be assessed as being eligible if they meet a low income threshold in section 3.1.1 and their home has high heating costs determined by section 3.1.2.
- People living on a **Low Income and Vulnerable to the effects of living in a Cold home** (LIVC), will be assessed as being eligible if they meet a low income threshold in section 3.2.1 and any of the characteristics listed in either section 3.2.2 or 3.2.3

In exceptional circumstances, the local authority may use their discretion.

Leicester City Council will promote the installation of first-time gas central heating to all owner occupied and privately rented properties where a new gas connection is required under the Warm Homes Fund. All households applying for the Warm Homes Fund for first time central heating will qualify via an alternative criterion, which is available to view via the following link [https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/energy-efficiency/warm-homes-fund/](https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/energy-efficiency/warm-homes-fund/). This is to
ensure a consistent approach to the delivery of this project.

3.1 People living in Fuel Poverty (FP)

3.1.1 Low Income Thresholds for FP

Those who are not in receipt of benefits and are living in private sector housing (homeowners and private rented tenants) with a gross annual income of less than: See table below (dependent on household size).

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>Gross Annual Household Income</th>
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<tbody>
<tr>
<td>1 adult and no children</td>
<td>£23,000</td>
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<tr>
<td>1 adult and 1 child</td>
<td>£26,000</td>
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<tr>
<td>1 adult and 2 children</td>
<td>£29,000</td>
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<tr>
<td>1 adult and 3 children</td>
<td>£35,000</td>
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<tr>
<td>1 adult and 4 or more children</td>
<td>£39,000</td>
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<tr>
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<td>2 adult and 3 children</td>
<td>£48,000</td>
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<tr>
<td>3 plus adult and no children</td>
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<td>£42,000</td>
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<tr>
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<tr>
<td>3 plus adult and 3 children</td>
<td>£52,000</td>
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<tr>
<td>3 plus adult and 4 or more children</td>
<td>£56,000</td>
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</tbody>
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3.1.2 Indicators of high heating costs

The criteria for determining high heating costs will be as follows:

- **Owner Occupied Properties:** A property with an EPC rating of either D, E, F or G qualifies for any measure.

- **Private Rented Properties:**
  - A property with an EPC rating of either D or E qualifies for any measure except for the replacement or repair of a heating measure which has broken down.
  - A property with an EPC rating of either F or G qualifies for solid wall insulation and/or a renewable heating measure only.

- **Where no EPC is present:** A property will be determined as meeting the high cost criteria if they meet all the following points:
  - The property was built before 1949
  - The property has uninsulated external walls, i.e. uninsulated solid walls or unfilled cavity walls (only applies to properties where cavity fill is suitable)
  - The properties heating system is completely broken down or condemned or non-existent (must be broken to the point where no heating and hot water is provided at all)

For a quick way to determine if a property has solid or cavity external walls please see the example diagrams to the right (for confirmation a surveyor will carry out a more in-depth check which could include the use of a thermal camera or drilling into the wall).
3.2 People living on a low income and vulnerable to the effects of living in a cold home (LIVC)

3.2.1 Low Income thresholds for LIVC

Those who are not in receipt of benefits and are living in private sector housing (homeowners and private rented tenants) with a gross annual income of less than: See table below (dependent on household size).

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3.2.2 Leicester City Council will target households containing people with the following characteristics, which reflects the National Institute for Health and Care Excellence (NICE) 2015 guidance on excess winter deaths and illness associated with cold homes.

- Respiratory disease (COPD, severe asthma)
- Cardiovascular disease (e.g. ischemic heart disease, cerebrovascular disease)
- Moderate to severe mental illness (e.g. schizophrenia, bipolar disorder, depression)
- Dementia
- Neurobiological and related diseases (e.g. fibromyalgia, ME)
- Cancer
- Limited mobility
- Haemoglobinopathies (sickle cell disease, thalassemia)
- Muscular Skeletal problems (e.g. arthritis, osteoporosis)
- Autoimmune and immunodeficiency diseases (e.g. lupus, MS, diabetes, HIV)

3.2.3 Additionally, people with the following characteristics can also be considered vulnerable:

- people who move in and out of homelessness
- people with addictions
- people who have attended hospital due to a fall
- recent immigrants, asylum seekers and refugees (if living in private tenure)
- people aged over 75
• pregnant women
• children under 5

3.3 Solid wall insulation “in-fill” projects

Where potential works have been identified households will be supported to take advantage of “in-fill” projects where the minimum number of vulnerable households is met.

Leicester City Council intends to support households across the City of Leicester where solid wall insulation for hard to treat homes may be technically feasible and would be permitted subject to Planning Permission being granted and would be eligible for funding support. The Flexible Eligibility powers also allow for homes, in these types of projects, that are not in fuel poverty or vulnerable to be funded. Non-fuel poor households eligible for solid wall insulation in-fill must be:

• In the same terrace or directly adjoin an eligible property
• In an immediately adjacent building to an eligible property, such as where an alleyway separates a row of terraces
• Or in the same building as an eligible property such as in a block of flats

At least 50% of all the properties must be eligible.

4. Governance

The officer below will be responsible for signing Declarations on behalf of the local authority:

Name: Michael Richardson
Job title: Team Leader (Energy & Environment)
Telephone: 0116 2543781
Email: Michael.richardson@leicester.gov.uk

The Flexible Eligibility statement and supporting criteria has been reported to Cllr Adam Clarke (Assistant Mayor - Energy and Sustainability).

5. Referrals and applications

Referrals and applications for consideration under ECO Flexible Eligibility will be received by Leicester City Council from energy suppliers or their contractors/installers. A list of contractors/installers known to be delivering ECO measures is available via the web page link https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/energy-efficiency/help-to-heat/

The public are advised to make enquiries with an ECO contractor/installer who will carry out the relevant surveys, calculations and eligibility checks.

6. Evidence, monitoring and reporting

Anonymised data on the characteristics of households reached through Flexible Eligibility will be reviewed. This data will include details of households assessed, how many were deemed eligible and ineligible, and how many received heating and insulation improvements.
Monitoring of ECO Flexible Eligibility processes will be carried out to ensure the referral process works as we anticipate and can be reviewed and amended as required to deliver the expected level of customer service.

7. Privacy notice

All information supplied to Leicester City Council will be transferred and held securely in line with Council data protection policies and procedures.

The Council are joint controllers of the information that will be collected. Further information about how the Council manages personal information can be found within our privacy policy, https://www.leicester.gov.uk/your-council/how-we-work/our-website/privacy/

8. Signature

Andy Keeling
Chief Operating Officer, Leicester City Council

Date 24.08.20